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ONTARIO PROVINCIAL ELECTIONS, 1902

PROVINCIAL TREASURER'S DEPARTMENT.

REPORT OF ROYAL COMMISSION ON SURPLUS.

Receipts and Expenditures, 1867-1901—Assets and Liabilities.

On the 2nd day of November, 1899, a Royal Commission was appointed by the Government (1) to examine the books of the Treasury Department in order to test the accuracy of the receipts and expenditures as shown in the Public Accounts; (2) to submit a statement of the moneys expended out of revenue on public works and buildings and on railways for each year since Confederation; (3) to examine and report upon the assets and liabilities of the Province; (4) to report whether the methods of book-keeping adopted by the Department set forth clearly and with such reasonable details, as are usual in the case of large financial institutions, the business affairs of the Province.

The Commission was composed of John Hoskin, K.C., LL.D., President of the Toronto General Trusts Corporation; Byron E. Walker, General Manager Canadian Bank of Commerce; and Angus Kirkland, Manager of the Toronto Branch of the Bank of Montreal. The Commissioners employed as an expert accountant, W. H. Cross, a member of the Chartered Accountants' Association. All the books and papers of the Treasury Department were placed at the disposal of the Commissioners and the accountant, and the utmost liberty was allowed them in conducting their investigations.

Their first report showed the receipts and expenditures to the 31st of October, 1899. Subsequently these figures were extended so as to include the whole of the calendar year down to the 31st of December, 1899, as it was considered more convenient that their statement should terminate with the year.

Methods of the Department.

On page 5 of the report of the Commissioners they state as follows:—"The methods of the Department and **its financial records are excellent,** and have been so for many years. The receipts by the various departments of government are evidently paid over to the Treasurer with promptness. All expenditures are made by cheque issued from the Treasury."

Accounts Given in Detail.

On page 21 of the Commissioners' Report they state **"the methods of book-keeping are excellent, and exhibit in as full detail as in an ordinary financial institution all of the financial transactions of the Province."**

Importance of these Statements.

When it is remembered that these statements were made by men who have in charge three of the largest financial institutions of the Province, their importance will be quite apparent. Had there been bad book-keeping or bad methods they, no doubt, would have said so.

Receipts and Expenditures.

On March 31st (see page 24 of the Commissioners' Report) the Commissioners reported that the receipts of the Province up to the 31st of December, 1899, were $104,615,783.96. The expenditures to the same period were $103,779,588.57. Cash on hand 31st December, 1899, $836,195.39.

Accounts on 31st December, 1901.

Since the report of the Commissioners was made, now more than two years ago, the Treasury Department has carried forward the statement of receipts and expenditures, following the rules laid down by the Commission. The receipts and expenditures of the Province, made out in that way, stood, on the 31st December, 1901, as follows:—

Receipts	$113,274,240 49
Expenditures	111,805,747 50
Cash on hand 31st December, 1901	**1,468,492 99**

Detailed Statement of Receipts.

The following statement carries the report of the Financial Commission in detail, on the lines submitted on page 24 of their report, down to the 31st December, 1901:—

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Receipts from 1st July, 1867, to 31st December, 1901.

From Dominion Government			$50,024,865 09
Grammar School Lands		$ 185,306 24	
Common School Lands		1,360,452 70	
Clergy Lands		1,185,782 69	
Railway Lands		39,539 92	
Crown Lands		3,383,127 54	
Sundry Receipts		542,538 81	
Rentals		612,596 31	
Woods and Forests		27,720,965 75	
Mining Licenses since 1897		21,525 55	
Crown Lands Department Returns			$35,051,835 51
Municipal Loan Fund		2,373,393 30	
Toronto Asylum Land	$301,122 61		
New Parliament Building Land	174,210 04		
Agricultural Hall	101,250 00		
Mimico and other Land Sales	114,266 21		
		690,848 86	
Algoma Land Taxes		158,944 30	
Fisheries for years 1899 to 1901		102,271 88	
Territorial Revenue			38,377,293 85
Revenue from Prisons and Asylums		$2,584,735 00	
Revenue from Educational Institutions		1,520,215 77	
From Underwriters' Property Burned		73,115 10	
From Sale of Provincial Statutes		50,199 05	
From Ontario Gazette		297,176 30	
Interest upon Investments		3,814,558 18	
Annuities Sold		2,066,529 27	
Swamp Drainage Assessments		270,961 95	
Drainage Debentures Redeemed		1,094,748 81	
Earnings and Repayments			11,772,239 43
Liquor Licenses		$6,381,147 79	
Law Stamps		2,378,492 58	
Succession Duties since 1892		1,839,602 40	
Charter and Secretarial Fees		428,115 40	
Official Surplus Fees since 1880		267,834 55	
Marriage Licenses to 1873		214,540 96	
Marriage Licenses since 1874		78,801 67	
Private Bills		141,217 15	
Fines and Forfeitures		139,036 91	
Insurance Company Fees since 1876		217,564 42	
Loan Company Fees since 1897		48,638 30	
Supplementary Revenue Act, 62 and 63 Vic.		684,341 21	
Game Licenses since 1882		62,616 17	
Licenses, Stamps and Fees			12,881,949 51
Casual Receipts Unclassified			217,892 61
			$113,274,240 49

BUILD UP ONTARIO

Expenditures from 1st July, 1867, to 31st December, 1901

Dominion of Canada		$ 2,836,165 83
Civil Government	$ 6,515,968 15	
Gratuities	385,569 98	
Legislation	4,322,772 19	
Statute Consolidation	230,665 73	
Elections and Voters' Lists since 1874	725,418 02	
N.W. Boundary and Arbitrations to 1885	76,631 11	
Administration of Justice	10,796,784 78	
Scott Act (years 1882 to 1890)	45,445 81	
Governmental Services		$ 23,099,255 77
Aid to Railways	7,097,051 12	
Colonization Roads	3,528,339 19	
Municipal Drainage	1,208,364 00	
Swamp Drainage	366,581 44	
River, Lake and Bridge Works	1,160,620 12	
National Parks since 1885	89,993 53	
Public Works other than Buildings		$ 13,450,949 40
Public Buildings—construction outlay	9,945,476 26	
Repairs and Maintenance since 1884	1,304,292 03	
Fire Premiums, 1872 to 1887	136,141 86	
Maintenance of Public Institutions	19,426,273 77	
Yearly Grants to Hospitals and Charities	3,692,361 30	
Miscellaneous Grants	387,769 23	
Loan to Toronto Hospital in 1869	4,000 00	
Education		$ 34,896,314 45
Toronto University, Fire Grant	19,480,246 64	
	160,000 00	
Crown Lands, surveys, ranging, improvements, agencies and compensations		$ 19,640,246 64
Crown Lands Refunds	3,591,352 45	
Province of Quebec, as interest upon collections of Common School Land Sales, on account	596,933 10	
Miscellaneous Refunds	250,000 00	
Surplus Distribution to Municipalities under Acts of 1859 and 1873	97,924 01	
Municipalities Fund—Distribution of Clergy Lands under 50 Vic., Cap. 5	3,388,777 47	
Land Improvement Fund—Distribution of portions of certain Crown Land Sales between 1853 and 1861	931,382 86	
	628,431 34	
Charges upon Revenue		$ 9,484,801 23
Agriculture and Arts	4,647,945 21	
Factory Act since 1887	71,056 70	
Colonial Exhibition in 1886	10,073 25	
Columbian Exhibition in 1893	95,492 97	

BUILD UP ONTARIO

Immigration	1,045,522 29	
Pan-American Exhibition, 1901	21,696 54	
		$ 5,891,787 00
Unforeseen and unprovided for	321,141 95	
Expenditures unclassified	977,235 23	
Annuity repayments	1,207,850 00	
		$ 2,506,227 18
Total of Expenditures		$111,805,747 50
Cash on hand, 3st December, 1901		1,468,492 99
		$113,274,240 49

Surplus of Assets over Liabilities.

In paragraph 3 of the instructions given to the Commissioners they were directed to examine and report upon the assets and liabilities of the Province on the 31st October, 1899, and by subsequent instructions they were asked to extend their report down to the end of the financial year, for the reasons given in the statement with regard to the receipts and expenditures. The Opposition has contended very strenuously that the liabilities of the Province for railway subsidies and other purposes were greater than the assets of the Province, and that if our accounts were properly balanced, instead of there being a surplus as the Liberals allege, there would be a deficit. In dealing with the assets and liabilities of the Province (see page 18 of report) the Commissioners say :—

The statement submitted limits the assets to $7,140,418.22, being the actual cash on hand and the funds upon which the Province actually receives interest from year to year. The direct investments form only $305,100.59, a sum which is justly owing to the Province by Ontario municipalities, as to whose ability to discharge the obligation there is no doubt.

More than six million dollars consist of five funds held by the Dominion of Canada. Three of these, the Upper Canada Grammar School Fund, the U. C. Building Fund and the Land Improvement Fund have been so held since Confederation, and they have been declared by the Inter-Provincial Arbitrators to be intact and unimpaired and to be held exclusively for the benefit of Ontario.

The fourth fund, $2,848,289.52, also held exclusively for the benefit of Ontario, was created under a Dominion statute in 1884. It is practically a refund to Ontario of various amounts retained as interest by the Dominion upon an assumed excess debt of the late Province of Canada, with interest upon said retentions to 1884, capitalized. The amounts appearing in the 1884 statute are :

Principal moneys	$1,663,239 00
Interest accretions	1,185,050 52
Fund created	$2,848,289 52

The principal moneys appear in the Ontario books as $,[illegible]04,166.63.

The fifth fund is held for the joint benefit of Ontario and Quebec, and consists of the proceeds of Common School land sales which have been the subject of much discussion. Two of the four awards upon this question made by the Inter-Provincial Arbitrators are yet in appeal, although we understand that neither the amount of the trust nor the apportionment of interest thereon is involved.

Among the expenditure transactions with the Dominion appears a claim made by the Province upon the Dominion for interest, viz.: $207,962.40, but this claim of the Province was not allowed.

The rate of interest upon the entire amount held by the Dominion for Ontario being settled at five per cent. per annum without termination or date for repayment, the question of the exigibility of the principal amount due by the Dominion should not require consideration, as it is obvious that it would be a great misfortune for the Province if the Dominion Government had the power to pay the debt. What we have to deal with is the fact that the Dominion is required to pay Ontario interest to the extent of $312,000 per annum. The debt on which this interest is payable is $6,237,791, but the actual present value of the income of $312,000 per annum at the moment is about **$9,000,000, considering money to be worth 3½ per cent. per annum,** the value assigned to it in calculating the obligations of the Province.

It might occur to those unacquainted with the manner of fixing the present value of semi-annual payments of interest where the principal sum does not become payable at a fixed date, or never becomes payable, that such an asset is not as available for the purposes of the Province as if the principal sum could be obtained and the interest payments be terminated. If any hold such a view, we venture to say that it is quite unsound with reference to the obligations of the Dominion Government to the Province of Ontario. It is quite clear that the **semi-annual payments can be hypothecated,** and the present money value be thus obtained, and we have shewn that if the Dominion Government cannot force the Province to take the principal sum **the asset is enormously increased in value** because of the high rate of interest fixed by statute. But in order to set at rest such a view, the Commissioners requested the Provincial Treasurer to communicate with the Minister of Finance in order to ascertain whether the Dominion would pay the sum of $2,848,289.52, being the fund created under the Act of 1884, provided the Province requested it to do so. We subjoin the correspondence, which leaves no doubt that if the Province should desire to forego the privilege of receiving 5 per cent. per annum in interest on this amount the Dominion will be quite willing to repay the principal.

"TORONTO, Dec. 29th, 1899.

"MY DEAR SIR,—The Government of Ontario have appointed a royal commission for the purpose of enquiring into and reporting on the financial affairs of the Province. For the purpose of assisting the Commission in the prosecution of their enquiry, I am desirous of ascertaining how your Department regard the sum of money ($2,848,000) which has been placed to the credit of the Province by Chap. 4 of the Statutes of 1884.

"Although we have not called on the Dominion for payment of this

money, we have assumed in our accounts that it belongs to the Province, and that if we had desired to use it for Provincial purposes we would have been free to do so.

"Kindly let me know the view which your Department takes of this question.

Yours truly,

"G. W. ROSS.

"Hon. W. S. FIELDING, M.P.
Minister of Finance,
Ottawa."

"OTTAWA, January 12th, 1900.

"MY DEAR MR. ROSS,—I have the honor to acknowledge receipt of your letter of the 29th ultimo on the subject of certain moneys placed to the credit of your Province in the accounts with the Dominion.

"The advantages to the Province in permitting these moneys to remain to the credit of the Province in the Dominion, where they yield to the Province five per cent. interest, are so obvious that I do not suppose you are contemplating their withdrawal. As a pure matter of finance between the Dominion and the Province, it would of course be profitable to the Dominion to pay you the money, as we could easily raise it at much lower rates.

"I do not think your Government have any unconditional right to demand this money from the Dominion. There are certain limitations provided by the statutes; **but no doubt if you desired to obtain the money, you could easily comply with these conditions.**

"In the earlier history of confederation it appears to have been contemplated that the moneys placed to the credit of the provinces in what was called the Debt Account should remain in that account, and the annual interest be paid to supplement the allowances for the support of the Provincial Governments. I find, however, that in 1874 there was a change of policy in this respect. Sec. 2 of Chap. 17 of the Statutes of that year provides as follows:

"'The Governor-in-Council may in his discretion advance from time to time to any Province of Canada such sums as may be required for local improvements in the Province, and not exceeding in the whole the amount by which the debt of the Province for which Canada is responsible then falls short of the debt with which the Province was allowed to enter the Union, such advances to be deemed additions to the debt of the Province, with permission to the Province to repay them to Canada, on such notice, in such sums and on such other conditions as the Dominion Government and that of the Province may agree upon, any amount so paid being deducted from the debt of the Province in calculating the subsidy payable to it.'

"Under this statute it appears to have been intended that the moneys at the credit of the provinces could be withdrawn for the purpose of assisting in the construction of provincial public works. Considerable sums were so drawn by the Provinces of Nova Scotia, New Brunswick, British Columbia and Manitoba.

"By chap. 4 of the Acts of 1885 the section above quoted was re-enacted with a further limitation placed upon the action of the provincial governments by requiring the passage of a provincial statute as a basis for an application to the Dominion Government for payment of these moneys.

BUILD UP ONTARIO

"I think that practically the Act of 1884 operates as an extension of the Acts relating to the Debt Account, and that, therefore, the moneys credited to Ontario by the Act stand in the same position as a balance of debt account favorable to a Province under the B.N.A. Act. This was the view apparently taken by this Department in 1884, and since continued, as appears by the Public Accounts.

"Looking at these several Acts, I am of opinion that you would not have the right to draw these moneys for the ordinary purposes of government; **but that Parliament intended that they might be withdrawn by a provincial government, with the previous sanction of the Legislature for local improvements.** I have no reason to doubt that if, instead of raising the moneys for your public works by the issue of securities, you had seen fit to make application, under the Acts above cited, for a portion of these moneys from the Dominion, the government of the day would have recognized this as a proper use of the moneys, and **would have authorized the payment of the sum required.**

"If you desired now to withdraw, subject to the above conditions, any moneys standing to the credit of the Province, there would not be any objection to your so doing.

"Yours faithfully,
"W. S. FIELDING,
"Minister of Finance.

"The Honourable G. W. Ross,
Premier of Ontario, Toronto"

This statement as to the nature of the Provincial assets disposes once and for all of the contention of the Opposition that such assets are not as good as cash, and should set at rest all doubts as to the actual surplus of assets over liabilities held by the Province.

Assets and Liabilities.

The following statement (see page 28 of the Report of the Commissioners) shows the assets and liabilities of the Province on the 31st December, 1899:—

Assets 31st December, 1899.

Current Bank Accounts		$374,796 62
Special Deposits		461,398 77
		$836,195 39
Funds held by the Dominion on behalf of Ontario—		
U. C. Grammar School Fund	312 769 04	
U. C. Building Fund	1,472,391 41	
Land Improvement Fund	124,685 18	
Settlement of 1884 Fund	2,848,289 52	
		4,758,135 15

BUILD UP ONTARIO

Common School Fund, on behalf of Ontario and Quebec by the Dominion—		
(Finance Dept. Figures).....	2,528,484 39	
Less share of Quebec upon basis of 1891 census.....	1,044,653 89	
Share of Ontario as of 31st Dec., 1899.		1,483,830 50
Direct Investments—		
Drainage debentures.....	112,231 87	
Tile debenture coupons.....	113,421 82	
Municipal drainage assessments.....	34,877 99	
Sault Ste. Marie debentures.....	29,152 65	
		289,684 33
Stationery Office—statement No. 12 in Public Accounts.....		25,617 37
Total of Treasury Assets.....		$7,393,462 74

Liabilities 31st December, 1899.

Suspense account—		
Return by Commissioners as probable aggregate of amounts to be paid by Ontario under various awards of the Interprovincial Arbitrators.....	$2,000,000 00	
Deposit with the Dominion of net collections by Ontario to 1st January, 1899, from Common School sales.	6,983 14	
		$2,006,983 14
Common School Lands—		
Portion of $9,179.59 collected during 1899, of which the amount to be paid to the Dominion is.....	6,804 79	
Deduct Ontario share.....	3,993 37	
		2,811 42
Certificates outstanding as per statement No. 13 in Public Accounts—		
Railway grants.....	1,156,831 18	
Annuity repayments.....	1,897,044 94	
		3,053,876 12
Asylum Land Mortgages with interest.....		61,297 62
Total of Treasury liabilities.....		5,124,968 30
Consolidated Revenue Fund—		
Difference between assets and liabilities, or surplus 3 st December, 899		2,268,494 44
		$7,393,462 74

BUILD UP ONTARIO

Assets and Liabilities to 31st December, 1901.

Following out the lines laid down by the Commissioners, the Treasury Department reports the following as the assets and liabilities on the 31st December, 1901 :—

Assets.

1. Direct Investments—			
Drainage debentures		$ 76,077 70	
Tile debenture coupons		99,204 81	
Municipal drainage assessments		20,043 04	
Sault Ste. Marie debentures		25,572 50	
			$220,898 05
2. Funds held by the Dominion in behalf of Ontario, upon which interest at the rate of Five Per Cent. Per Annum has been settled as Payable to the Province Half-Yearly—			
U.C. Grammar School Fund	$ 312,769 04		
U.C. Building Fund	1,472,391 41		
Land Improvement Fund	124,685 18		
Fund created under Act of 1884	2,848,289 52		
		4,758,135 15	
Common School Fund held by the Dominion on behalf of the Provinces of Ontario and Quebec upon which interest at the rate of 5 per cent. per annum is payable, divisible as between the Provinces in ratio of last decennial census	2,552,923 18		
Upon basis of 1901 census, Ontario's share being		1,454,362 19	
			6,212,497 34
3. Bank Balances—			
Current Accounts		175,561 74	
Special Accounts		1,292,931 25	
			1,468,492 99
			$7,901 888 38

Liabilities.

1.—Balance of Account current with the Dominion from Confederation to date, including Common School Fund and other Transfers, capitalization of the Bounty of the Crown under tribal treaties assumed by the Dominion, the capital having been apportioned to the Provinces under vari-

BUILD UP ONTARIO

ous awards with interest upon the said account current, and including interest as between Ontario and Quebec, as finally adjusted		$1,815,848 89
2.—Railway Certificates, Present Value	1,688,691 64	
Annuities " "	1,822,099 17	
		3,510,790 81
3.—Common School Fund Collections by Ontario, from 1st January, 1901, payable to the Dominion, in trust for both Provinces	9,193 18	
Less Ontario's share upon basis of last census	5,237 21	
		3,955 97
Total		$5,330,595 67
Surplus of Assets after deducting Liabilities		**$2,57 .2927**

Money Returned to the People.

The policy of the Liberal Party has been, and still is, to contribute as liberally as possible towards such public purposes as would relieve the people from direct taxation, and at the same time encourage those great public interests on which the prosperity of the country depends.

Out of a total expenditure of $103,960,277.66 since 1871, the following sums might be fairly taken as contributions either for the relief of taxation, or for the improvement of the country :—

Education	$18,205,323 42
Toronto University, fire grant	160,000 00
Hospitals and charities	3,526,591 30
Maintenance of Public Institutions	18,797 211 88
Surplus distribution, 1873	3,388,777 47
Distribution of clergy lands	931,382 86
Refunds land improvement fund	534,172 91
Agriculture and arts	4,358,809 70
Immigration	966,127 08
Administration of justice	10,084,694 73
Aid to railways, including annuity repayments	8,304,901 12
Colonization roads	3,338,743 28
Municipal drainage	1,208,364 00
Swamp drainage	238,405 09
River, lake and bridge works	1,008,542 04
National parks since 1885	89,993 53
Public buildings—construction outlay	8,971,873 28
Repairs and maintenance since 1884	1,304,292 03
Total	$85,418,205 72

BUILD UP ONTARIO

Proposed Reductions by the Opposition.

The best evidence that the annual expenditure under the Liberal Administration is unimpeachable is the character of the proposals made by the Opposition, from year to year, in the form of amendments to the Supply Bill. Taking the years 1883-1900, the proposed reductions were, year by year, as follows:

In 1884 the sum of	$ 2,750 00
" 1885 "	24,900 00
" 1886 "	1,400 00
" 1887 "	15,100 00

In 1888, 1889, 1890, 1891 no reduction was proposed by the Opposition.

In 1892 the sum of	$ 350 00
" 1893 "	42,275 00
" 1894 "	107,696 50
" 1895 "	13,550 00
" 1896 "	10,700 00
" 1897 "	36,775 00
" 1898 "	47,050 00
" 1899 "	102,775 00
" 1900 "	52,475 00
" 1901 "	31,200 00

Out of a total proposed appropriation, in 18 years, of $61.631,-333, the Opposition objected to only $488,996.50, equal to a fraction over three-quarters of a cent on the dollar.

Comparisons with Quebec and the Dominion.

The following table shows the rate at which the cost of civil government and legislation increased in Ontario, Quebec and the Dominion, respectively, from 1873 to 1900, inclusive:

Civil Government.	1873.	1900.	Increase.	Percentage.
Ontario	$175,914	$ 265,347	$ 89,433	50
Quebec	135,106	285,872	150,766	111
Dominion	750,874	1,420,997	670,123	89
Legislation.				
Ontario	119.650	142,773	23.123	19
Quebec	163,569	192.213	28,644	17
Dominion.	529,343	830 302	300,959	56

Debts of the Different Provinces.

The following statement, from the Canada Statistical Year Book of 1900, shows the debts of the several provinces, the assets, the net debt, and the debt per head of the population :—

Provinces.	Gross Debt.	Assets.		Net Debt, including Col. 3.	Debt per Head.
		Dominion Governm't Debt Allow'ce.	*Other Assets.		
1900.	$	$	$	$	$ c
Quebec.....	36,120,393	2.549,214	11,339,324	22,231,855	13.73
Nova Scotia.....	4,059,518	1,056,129	290,087	2,713,302	5.90
New Brunswick.....	3,349,966	529,628	69,252	2,751,086	8.56
Manitoba.....	8,615,863	3,707,196	5,858,860	.....	.....
British Columbia.....	8,866,868	583,021	2,515,283	5,768,564	31.64
Prince Edward Island	492,751	181,932	†	†	†

*Not including public buildings. †Not given.

During 1900 Ontario received the sum of $281,923.62 as interest on investments, while the Province of Quebec paid in interest and charges on her public debt no less a sum than $1,538,059.20. Both Provinces at Confederation started with a clean sheet.

Railway Subsidies.

In addition to the expenditure for the improvement of highways in Ontario, large sums have been expended by the Government in aid of railways. The question of transportation is of the utmost importance to the farmer and manufacturer, and the Government has not been wanting in enterprise in meeting the demands of localities to which a line of railway would be of material advantage. In this policy the Government has been generously supported by municipalities.

Aid granted by the Government since 1871.....	$10,058,942 07
" " municipalities "	11,970,164 37
Or a total by Government and municipalities of..	$22 029,106 44

The following table shows the various railways aided by the Provincial Government, and the mileage aided in each case up to 31st December, 1901. In some cases the aid has been granted by cash given direct from the Public Treasury; in other cases by railway certificates. The amounts in this table, applied by

way of railway aid, include the cash payments as well as the certificates paid and outstanding.

Name of Railway.	Miles.	Total Amount.
Belleville & North Hastings	22	$ 114,206 40
Brantford, Norfolk & Pt. Burwell	33	129,353 60
Canada Central	48	125,957 15
Canada Southern	63	244,559 20
Central Countries	17	68,747 26
Central Ontario	21	117,534 40
Cobourg, Peterboro' & Marmora	9	18,740 00
Credit Valley	153	807,350 85
Canada Atlantic	66	454,887 60
Erie & Huron	41	123,834 87
G.T., Georgian Bay & Lake Erie	79	231,446 00
Grand Junction	66	278,067 60
Hamilton & North Western	144	727,697 20
Hamilton & Lake Erie	33	66,960 00
Irondale, Bancroft & Ottawa	35	195,888 00
Kingston & Pembroke	89	606,945 70
Lake Simcoe Junction	26	53,000 00
London, Huron & Bruce	69	268,839 60
Montreal & Ottawa	50	186,560 00
Midland	55	215,511 90
North Simcoe	33	144,241 60
Northern Extension	70	196,188 00
Ontario & Rainy River	125	932,800 00
Ontario, Belmont & Northern Ry	10	35,725 60
Ottawa, Arnprior & Parry Sound	149	817,692 00
Pembroke Southern	18	103,540 80
Prince Arthur's Landing	6	20,747 20
Prince Edward County	32	155,520 00
Port Dover & Lake Huron	63	126,000 00
Port Arthur, Duluth & Western	80	463,315 54
Parry Sound Colonization	48	267,247 20
Stratford & Lake Huron	27	55,000 00
Toronto, Grey & Bruce	151	461,364 40
Toronto & Nipissing	46	105,212 00
Tilsonburg, Lake Erie & Pacific	19	71,295 20
Victoria	56	537,317 20
Wellington, Grey & Bruce	121	241,276 00
Whitby, Pt. Perry & Lindsay	46	129,790 40
Ottawa & N.Y. (International Bridge.)	.....	65,297 60
Inter-Provincial Bridge at Ottawa	.....	93,284 00
	2,219	10,056,942 07

BUILD UP ONTARIO

Many of the appropriations voted in aid of railway construction have not yet been earned, and so do not appear on this list.

Drainage Work.

As far back as 1869 an Act was passed, authorizing the Government to advance money for drainage, the works to be carried out under the Public Works Act, the improved land to be as security for the repayment of the advance by means of a rental charge.

This Statute was repealed by an Act passed in 1873, which made still more liberal arrangements for the construction of drainage works. It was also provided that the Government might advance money at the rate of five per cent. to municipalities for drainage purposes, leaving the work to be done by the local authorities. The method of investment under this system is the purchase of municipal debentures to the required amount, the municipality being responsible for the payment of the debentures, and being left to collect for itself the amounts charged against the lands benefited.

The maximum amount invested under either system cannot at any time exceed $350,000, but the money, as it is repaid by one municipality, may be lent to another. In this way the total amount invested under both plans up to the end of 1901 was $1,283,251. The area drained is made up of tracts scattered over the counties of Kent, Lambton, Middlesex, Elgin, Lanark, Lennox, Grey, Addington, Peterboro', Essex, Leeds, Welland Huron, Bruce, Durham, Perth, Hastings, and Haldimand.

Tile Drainage.

Another application of the same form of investment was made in 1878, by an Act authorizing the Government to advance money at five per cent., through the medium of municipal debentures, for tile-draining purposes. The whole amount so invested at any one time must never exceed $200,000; the total amount invested up to the close of 1901 was $210,500.

In 1887 the Government reduced the rate of interest on all drainage loans to four per cent.

Provincial Drainage Aid Act.

The Provincial Drainage Aid Act of 1900 was another important step in assisting municipalities to provide drainage works by local assessment, supplementing the provisions of the Municipal

Drainage Act so as to encourage and assist in the construction of main or trunk channels, and pumping or artificial outlets in cases where the cost would be greater than the lands affected would bear. Power was taken under this Act by which the Province, based upon carefully prepared reports and estimates, might assume a proper proportion of the cost of such undertakings. By this means large areas of land in the Province, hitherto useless, will be reclaimed and brought under cultivation.

PRAISE OF THE FINANCIAL ADMINISTRATION OF ONTARIO.

The Montreal Witness.

The Montreal *Witness*, in its review of Ontario's budget speech of December 14, 1897, said: "The Province of Ontario is to be congratulated on its splendid financial position, which has been preserved by careful, business-like, honest administration since Confederation."

The Mail on the Financial Administration of the Province

In an editorial on February 13, 1890, the *Mail* said: ". . . The Ontario Government's management of the finances has been *thrifty, judicious and clean.*"

The Toronto Telegram.

The Toronto *Telegram* (Independent) whose proprietor was recently the Conservative representative of one of the constituencies of Toronto in the Dominion Parliament, said:—"The financial critics of the Opposition may go through the motions of an attack on the financial and administrative records of the Ontario Government. But their speeches are not likely to alter the general public belief that the record of the Liberal party in Ontario in these respects is, on the whole, creditable. It is as truly the duty of honest journalism to praise the good work of a party as to condemn its evil deeds. The resources of the Province of Ontario have been on the whole wisely handled. The revenues of the Province of Ontario have been fairly distributed and in its expenditures there has been a constant endeavor to secure efficiency in results without extravagance in outlay.

BUILD UP ONTARIO

There is no profit for the Opposition in wholesale denunciation of the Government in regard to administrative dealings, which have been creditable to the dominant party and profitable to the Province. It would be well for Toronto if its administrators had guarded the public resources as carefully and spent the public money as frugally as the resources of Ontario have been guarded and the money of Ontario has been spent. It would be good tactics for the Conservatives to try and prove that they would do as well or better than the Grits have done in handling the public resources or spending the public money, but the Opposition does not strengthen itself by its feeble and ineffectual attempts to prove that the Liberals have handled the public resources unwisely, or have spent the public money either rashly or dishonestly."

	Brant.		Bruce.		Carleton.		Dufferin.	
	$	c.	$	c.	$	c.	$	c.
Lunatic Asylums	225,022	71	276,215	19	439,593	12	33,057	11
Central Prison	43,085	09	9,980	30	69,673	00	1,750	04
Reformatory for Boys	40,184	27	13,165	12	32,584	54	2,289	60
Reformatory for Females	6,966	66	3,212	10	60,375	42	206	62
Blind Institution	39,020	05	29,107	53	23,776	25	11,046	85
Deaf and Dumb Institution	26,430	69	30,969	19	50,361	27	2,876	57
Public, Separate and High Schools	201,965	00	285,673	00	323,205	00	86,511	00
Administration of Justice	113,387	34	88,747	13	143,638	47	26,484	68
Agricultural Societies	45,780	00	53,775	00	28,805	00	19,100	00
Mechanics' Institutes	26,490	98	36,835	20	9,546	32	9,186	59
	768,332	79	827,679	76	1,181,558	39	192,509	06

	Leeds.		Grenville.		Grey.		Haldimand.	
	$	c.	$	c.	$	c.	$	c.
Lunatic Asylums	181,500	47	109,105	82	318,736	76	166,286	39
Central Prison	24,734	60	14,868	78	19,126	79	10,145	97
Reformatory for Boys	12,416	17	7,463	77	19,204	43	5,100	79
Reformatory for Females	6,471	43	3,890	20	8,132	67	120	42
Blind Institution	12,962	33	7,792	09	24,595	73	14,706	34
Deaf and Dumb Institution	16,871	88	10 142	24	40,088	75	9 976	27
Public, Separate and High Schools	210,876	00	126,765	00	314,404	00	146,422	00
Administration of Justice	45,133	96	27.131	48	93,011	37	75,552	74
Agricultural Societies	52,549	00	33,301	00	62,800	00	28,741	33
Mechanics' Institutes	9,067	85	11,352	19	27,066	77	12,682	82
	572,583	69	351,812	57	927,167	27	469,735	07

	Lennox, Addington.		Lincoln.		Middlesex.		Norfolk.	
	$	c.	$	c.	$	c.	$	c.
Lunatic Asylums	180,470	27	230,508	90	795,611	47	179,940	47
Central Prison	6,819	69	32,354	73	97,290	97	13,320	67
Reformatory for Boys	5,696	72	37,746	01	66.326	46	23,034	01
Reformatory for Females	3,068	00	4,246	68	26,150	67	2,916	85
Blind Institution	7,528	80	10,132	68	35,213	75	20,008	10
Deaf and Dumb Institution	25,366	64	12,175	15	42,370	72	26,137	63
Public, Separate and High Schools	164.898	00	238,188	00	481,885	00	178,422	00
Administration of Justice	43 736	57	87,322	24	234,878	00	76,218	25
Agricultural Societies	43,799	00	39,558	31	77,925	00	43,835	00
Mechanics' Institutes	10,723	91	23,984	84	32,399	58	11,570	73
	492,107	60	716,217	54	1,890,051	62	575,403	71

Elgin.	Essex.	Frontenac.	Stormont.	Dundas.	Glengarry.
$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
266,210 92	232,175 38	431,254 60	146,604 09	108,282 80	121,294 05
31,409 41	69,340 42	40,627 50	8,004 59	5,912 24	6,622 66
32,795 06	24,356 24	46,643 05	6,562 95	4,847 45	5,429 91
11,864 52	12,624 99	20,205 93	1,158 36	855 57	958 38
22,084 88	36,831 85	27,731 69	8,614 75	6,362 92	7,127 49
28,111 85	29,040 89	17,046 30	13,439 71	9,926 66	11,119 45
246,258 00	222,451 00	242,660 00	133,414 00	98,542 00	110,382 00
132,870 26	127,052 84	75,191 40	27,336 07	20,190 60	22,616 70
43,970 00	41,100 00	28,250 00	32,348 00	21,900 00	21,831 50
18,334 77	8,295 52	15,175 95	2,429 00	5,389 90	2,789 45
833,909 67	803,269 13	944,786 42	379,911 52	282,210 14	310,171 59

Halton.	Hastings.	Huron.	Kent.	Lambton.	Lanark.
$ c.	$ c	$ c.	$ c.	$ c.	$ c.
170,965 37	259,089 30	362,213 72	254,053 10	364,393 31	227,613 60
4,864 13	29,319 10	9,031 80	48,401 38	28,20[illegible]	8,682 83
8,472 59	27,131 23	8,312 27	27,721 00	45,81[illegible]	4,747 51
120 42	7,534 15	317 14	12 691 57	4,531 [illegible]	578 96
5,329 28	17 329 54	22,852 85	16,933 63	28,439 11	5,583 13
14,951 97	65,254 60	52,967 24	33,280 31	37,595 62	15,321 71
113,858 00	303,891 00	349,147 00	244,188 00	240,445 00	242,932 00
47,443 19	103,921 89	77,286 61	129,680 10	103,653 68	42,459 48
21,900 00	64,567 50	62,861 00	42,443 00	42,400 00	43,756 00
13,948 18	12,230 95	46,093 81	25,148 90	25,102 76	20,055 18
401,853 13	890,269 26	991,083 44	834,540 99	920,589 81	611,730 40

Northumberland.	Durham.	Ontario.	Oxford.	Peel.	Perth.
$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
229,831 34	183,777 08	334,455 38	310,080 60	190,034 74	280,371 36
21,098 03	16,870 36	22,385 07	42,441 64	6,417 58	11,038 23
14,365 74	11,487 10	30,086 35	26,483 49	2,238 81	13,986 70
3,860 06	3,086 58	3,582 87	11,197 74	447 46	2,759 95
11,073 18	8,854 32	22,280 86	12,636 34	4,404 24	12 934 59
27,885 89	22,298 04	22,911 42	32,425 95	12,376 51	46,489 00
247,804 00	198,148 00	298,988 00	258,256 00	136,371 00	312,756 00
63,151 59	50,497 08	88,908 33	87,078 27	56,790 58	80,214 80
43,800 00	43,725 00	43,800 00	43,800 00	34,461 00	43,800 00
12,995 62	14,478 00	26,600 00	28,881 16	27,216 94	28,692 58
675,865 45	553,221 56	893,998 28	853,281 19	470,758 86	833,043 21

	Peterboro'.		Prescott.		Russell.		Prince Edward.	
	$	c.	$	c.	$	c.	$	c.
Lunatic Asylums	168,274	99	59,644	03	44,745	71	85,453	69
Central Prison	14,205	36	1,263	83	948	14	3,303	31
Reformatory for Boys	12,583	50	1,604	90	1,204	00	2,432	68
Reformatory for Females	7,509	13	.....		.....		.....	
Blind Institution	13,186	81	2,989	95	2 243	11	12,628	70
Deaf and Dumb Institution	15,409	20	16,672	27	12,507	76	6,655	06
Public, Separate and High Schools	206,091	00	107,085	00	80,336	00	101,512	00
Administration of Justice	52,495	91	26,252	03	19,696	06	46,523	58
Agricultural Societies	44,221	00	21,900	00	21,900	00	21,900	00
Mechanics' Institutes	13,304	52	247	15	1,604	55	3,158	60
	547,281	42	237,659	16	185,185	33	283,567	62

	Wentworth.		York.		District of Algoma.		District of Muskoka.	
	$	c.	$	c.	$	c.	$	c.
Lunatic Asylums	566,259	68	1,880,458	82	38,168	13	36 828	16
Central Prison	165,857	26	476,353	82	16,170	87	8,773	86
Reformatory for Boys	89,643	45	148,750	76	3,297	69	6,035	64
Reformatory for Females	63,074	07	198,539	31	1,562	75	1,982	51
Blind Institution	56,457	74	149,494	15	3,896	50	5,032	58
Deaf and Dumb Institution	42,987	14	97,382	08	2,606	43	13,698	25
Public, Separate and High Schools	385,168	00	865,093	00	130,096	00	83,028	00
Administration of Justice	184,249	98	643,820	04	377,097	23	149,516	81
Agricultural Societies	54,645	00	82,012	00	36,459	00	24,382	00
Mechanics' Institutes	17,136	63	45,374	78	8,359	70	9,734	73
	1,625,478	95	4,587,278	76	617,714	30	339,012	54

	Northerly and Westerly Parts of the Province.		Domicile not known and other Provinces.	
	$	c.	$	c.
Lunatic Asylums	.....		182,841	24
Central Prison	.....		.....	
Reformatory for Boys	.....		.....	
Reformatory for Females	.....		.....	
Blind Institution	.....		2,299	82
Deaf and Dumb Institution	.....		849	68
Public, Separate and High Schools	.....		.....	
Administration of Justice	17,959	73	.....	
Agricultural Societies	.....		.....	
Mechanics' Institutes	.....		.....	
	17,959	73	185,990	74

Continued.

Renfrew.	Simcoe.	Victoria.	Waterloo.	Welland.	Wellington.
$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
143,232 82	500,054 29	172,300 33	215,267 26	177,388 24	339,565 58
7,377 10	39,757 52	12,661 28	26,232 89	66,534 46	27,277 20
15,376 06	23,169 23	10,280 02	17,463 70	23,147 04	16,967 48
2,501 97	13,836 80	4,951 19	4,571 01	2,537 16	6,643 09
28,780 32	26,857 27	13,435 56	13,304 15	8,817 51	26,707 64
23,996 69	44,766 76	17,285 39	32,105 57	13,668 79	35,745 01
250,103 00	446,096 00	262,720 00	262,643 00	172,314 00	354,416 00
75,036 81	144,996 36	63,709 96	89,064 89	83,619 67	103,078 10
44,127 00	72,514 00	44,143 00	43,741 00	29,744 36	65,700 00
9,964 80	42,261 79	17,463 22	50,739 89	24,709 43	49,967 91
600,496 57	1,354,310 02	618,949 95	755,133 36	602,480 66	1,026,068 01

District of Nipissing.	District of Parry Sound.	District of Thunder Bay	District of Manitoulin.	District of Haliburton.	Rainy River.
$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
15,816 90	12,372 05	11,605 54	.....	7,453 60	5,105 83
2,390 53	6,558 65	3,591 78	.....	.....	.....
.....	232 34	220 10	.....	.....	2,276 40
3,981 91	.....	.....	.....	.....	.....
2,315 07	1,624 60	.....	.....	.....	.....
4,094 24	2,836 32	.....	.....	5,231 40	.....
64,943 00	85,981 00	49,670 00	43,184 00	68,046 00	57,800 00
154,012 94	166,886 65	244,620 89	20,918 67	21,854 35	179,327 59
13,280 00	22,186 00	.....	6,479 00	9,437 00	.....
2,995 30	2,765 40	531 20	1,653 20	277 50	600 80
263,829 89	301,443 01	310,239 51	72,234 87	112,299 85	245,110 62

SUMMARY.

	$ c.
Lunatic Asylums	12,271,586 84
Central Prison	1,633,084 14
Reformatory for Boys	981,384 02
Reformatory for Females	535,824 70
Blind Institution	883,366 63
Deaf and Dumb Institution	1,174,708 16
Public, Separate and High Schools	10,836,030 00
Administration of Justice	5,256,323 95
Agricultural Societies	1,909,452 00
Mechanics' Institutes	857,617 55
	$36,339,377 99